

AMENDMENTS TO THE SPECIFICATION

Please amend the paragraph on page 4, lines 15-28, as follows:

a¹

A method and apparatus for determining private information and risk attitudes for bidders are ~~is~~ disclosed. First, auction data from previously conducted utility-dependent auctions and ~~auctions and~~ previously conducted utility-independent auctions is analyzed. In this application an auction belongs to the "utility-dependent" classification if the bidding behavior it induces depends on the utility function of the bidders; otherwise it belongs to the "utility-independent" classification. Examples of utility-dependent auction formats are sealed bid first price and Dutch auctions; examples of utility-independent auction formats are sealed bid second price and English auctions. Private information for the bidders is determined using bids submitted in utility-independent auctions for identical or similar items. Risk attitudes are determined for the bidders using bids from utility-dependent auctions for ~~auctions for~~ identical and similar items and using the previously determined private information.

Please amend the paragraph on page 5, lines 10-15, as follows:

a²

Similarly, when the auction data from previously conducted utility-dependent auctions is not sufficient for determining risk attitudes for the bidders, additional utility-dependent auctions are ~~auctions are~~ conducted. Auction data from these additional utility-dependent auctions are ~~auctions are~~ used along with data from previously conducted utility-dependent auctions to ~~auctions to~~ determine risk attitudes for bidders.

Please amend the paragraph on page 18, lines 5-13, as follows:

a³

The bidding model database 202 stores various bidding models. A bidding model specifies a bidding behavior pattern. It is a function of

Q3
auction characteristics or procedure of the corresponding auction. It is also a function of the market structure of the auction. For example, a Dutch auction bidding model specifies bidding behavior in a Dutch format auction. An English auction-bidding model specifies bidding behavior in an English format auction. A utility-dependent auction-bidding ~~utility-dependent auction-bidding~~ model specifies bidding behavior in a utility-dependent auction ~~utility-dependent auction~~. The bidding model database 202 can be implemented using any known database technology.

Please amend the paragraph on page 22, lines 12-15, as follows:

Q4
Referring to steps 402 and 403, if there is insufficient auction data from the previously conducted utility-independent auctions for determining bidders' private information, additional utility-independent auctions are conducted, as shown in step 403, until sufficient information is obtained.

Please amend the paragraph starting at page 22, line 29, and continuing to page 30, line 7, as follows:

Q5
Referring to steps 405 and 406, if there is insufficient data from previously conducted utility-dependent auctions ~~for auctions~~ for determining risk attitudes, additional utility-dependent auctions ~~are auctions~~ are conducted. These additional auctions are conducted, as shown in step 406, until sufficient information is obtained. In the present embodiment first price sealed bid auctions are representative of the utility function, $U()$, or the bidders' attitude toward risk.
